



106  
3/11

THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

DATE ISSUED:

REPORT NO: 08-032

ATTENTION: Honorable City Council  
Docket of March 11, 2008  
SUBJECT: U.S. Open Ticket Distribution Policy  
REFERENCE: City Manager's Report No. 02-229

REQUESTED ACTION: Approve U.S. Open Ticket Distribution Policy

STAFF RECOMMENDATION: Adopt the requested action.

SUMMARY: On October 14th 2002, the City Council approved a lease agreement with The Friends of Torrey Pines, LLC for the use of Torrey Pines Golf Course for the 2008 U.S. Open. The presence of the U.S. Open in San Diego provides a stellar opportunity to showcase the unique attributes of the entire region – from wonderful weather and spectacular tourism destination, to leadership in 21st century industries and research, and state-of-the-art convention facilities.

The lease agreement established three manners in which the City of San Diego receives access to ticket packages for the event. The distribution of any tickets provided to the City will be managed and documented by the Mayor's Office in compliance with the policy to be adopted by the City Council. Ticket packages include an individual ticket for each of the seven days of the tournament, are non-transferable and cannot be resold. To address the use of these ticket packages the proposed policy for distribution, which complies with the terms of the lease agreement, is described below:

- I. 250 Ticket Packages Available for Purchase.
  - A. Lease Terms  
Section 14.2 of the lease states that the Lessee shall make available to the City 250 grounds only ticket packages at a price equal to the ticket rate charged to the general public.

B. Distribution Policy

On January 24, a memo was sent to the City Council and City Attorney advising them of the lease terms (Attachment A). The memo indicated that each elected official had been allocated up to 20 ticket packages in order to designate 10 individuals who would each be offered the opportunity to purchase two ticket packages at face value. The memo also stated that the intended use of the tickets is to promote and enhance the City's economy, especially in the business development, tourism, and convention areas. Therefore, the opportunity to purchase ticket packages should be designated to individuals who contribute to the City's economic development, add to the City's economic growth, are located or intend to locate businesses in the City or the region and/or general business. The City declines the contractual opportunity to use any unused portion of ticket packages in this category.

II. 100 Complimentary Grounds Only Ticket Packages

A. Lease Terms

Section 14.3 of the lease provides the City with 100 tickets free of charge for use as complimentary tickets for "officers, staff, guests, suppliers, and vendors to the City".

B. Distribution Policy

These tickets would only be distributed to individuals whose use of the tickets contribute to the City's economic development, add to the City's economic growth, are located or intend to locate businesses in the City or the region.

III. Hospitality Tent

A. Lease Terms

Section 17.1 of the lease agreement states that the Friends of Torrey Pines shall arrange for the USGA to provide the City one hospitality tent for the City and its guests. As part of the Hospitality Tent package, the City will receive:

- 125 event ticket packages that include access to the City's hospitality tent
- 40 preferred daily parking passes each day
- 350 Official U.S. Open Championship Programs
- 100 pairing sheets on each day of the Championship rounds
- Opportunity to purchase co-branded merchandise
- Food & beverage for the hopsitality area to be purchased through the designated U.S. Open caterer.

The USGA has combined the space allocated to the City of San Diego with space provided to the Friends of Torrey Pines to create an area that supports 250 total guests.

B. Distribution Policy

The cost of décor, food, and beverage services to support the hospitality space designated to the City is estimated to be \$125,000. Therefore, the City of San Diego established a task force including representatives from the: San Diego Regional Economic Development Corporation (EDC), San Diego Convention & Visitors Bureau (ConVis), and San Diego Convention Center Corporation to develop strategies to ensure the maximum return for the exposure the City will receive through both visitors and media

coverage while negating the City's need to provide financial support to the hospitality program.

The task force organizations have agreed to an exchange whereby the City will provide 25 ticket packages to each of the 3 organizations in exchange for assumption of all City costs associated with the City's hospitality area. Of the 50 remaining City's ticket packages, the Mayor, each City Council Member, the City Attorney, the City Clerk and the Independent Budget Analyst would receive two ticket packages which include admission and access to the amenities of the hospitality area. Each City official would also receive two parking passes. Any use of the parking and ticket packages by City officials and their guests should promote and/or market the City of San Diego and should reinforce the strategic initiative developed by the task force organizations. Any remaining parking and ticket packages would be used exclusively to invite guests whose presence enhance the strategic initiatives of the task force organizations as set forth below. Under the terms of this proposal there would be no cost to the City for use of the Hospitality Tent.

Following is a summary of the proposed strategic initiatives developed by each task force organization for use of the tickets:

San Diego Regional Economic Development Corporation (EDC):

Leverage the tournament to attract new investment in targeted high-wage, technology-driven industries. Invitations will be primarily focused on executives from the life sciences industry, leveraging their visits to San Diego from Tuesday, June 17 through Friday, June 20 for BIO 2008, the world's largest conference of the life science industry.

The San Diego Convention & Visitors Bureau (Convis)

Utilize the U.S. Open to market to key meeting planners. The goal is to target existing accounts to maintain or increase their meeting's business to the destination.

San Diego Convention Center Corporation (SDCCC)

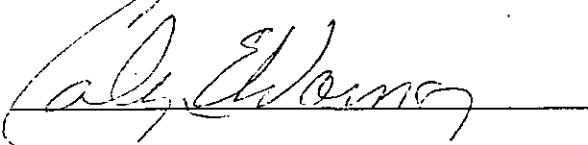
Invite key customers who are either booked or tentatively booked at the Convention Center whose events will generate an estimated \$10 billion in direct economic impact to the City of San Diego and represent more than 1.3 million hotel room nights and transient occupancy tax revenues of more than \$28 million.

**FISCAL CONSIDERATIONS:** The opportunity to use the presence of the U.S. Open to market the City and attract additional economic development activities in San Diego will enhance the economic return garnered by hosting the world-class event. Adoption of the U.S. Open Ticket Distribution Policy will enable the City to maximize the use of tickets, passes, and amenities that were contractually made available to the City of San Diego without cost to the City.

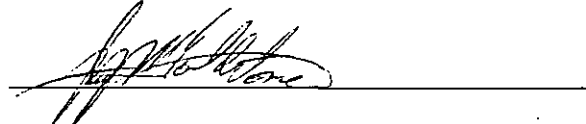
**PREVIOUS COUNCIL and/or COMMITTEE ACTION:** Approval of the Proposed Lease Agreement with The Friends of Torrey Pines, LLC for the use of Torrey Pines Golf Course for the 2008 U.S. Open.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: N/A

KEY STAKEHOLDERS AND PROJECTED IMPACTS: N/A

A handwritten signature in black ink, appearing to read "Calvin Edwards", written over a horizontal line.

Originating Department

A handwritten signature in black ink, appearing to read "Jeffrey H. Stone", written over a horizontal line.

Deputy Chief/Chief Operating Officer



THE CITY OF SAN DIEGO  
MAYOR JERRY SANDERS

M E M O R A N D U M

DATE: January 24, 2008

TO: Honorable City Council Members and City Attorney

FROM: Mayor Jerry Sanders *Mayor Jerry Sanders by [Signature]*

SUBJECT: Opportunity to Purchase U. S. Open Tickets

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The 2002 U.S. Open contract provides the City with the opportunity to purchase 250 grounds-only admission ticket packages. The face value of each package is \$400 and includes an individual daily ticket for each day of the tournament, Monday, June 9 to Sunday June 15, 2008. Each elected official has been allocated up to 20 ticket packages in order to designate 10 individuals who will each be offered the opportunity to purchase two ticket packages at face value.

The use of these tickets is to promote and enhance the City's economy, especially in the business development, tourism and convention areas. Tickets should be designated to individuals who contribute to the City's economic development, add to the City's economic growth, are located or intend to locate businesses in the City or the region and/or generate business. Your list should include the names and mailing addresses of up to 10 individuals. Please understand that these ticket packages are non-transferable and cannot be resold.

Your lists will be sent directly to the U.S. Open, which will send out invitations to your designated individuals to purchase these ticket packages. The City will not directly receive any of these tickets. Unfortunately, to meet the U.S. Open mailing deadline, your lists must be received in the Mayor's Office by noon on Monday, January 28, 2008.

Please direct any questions to Carolyn Wormser, Director of Special Events, at 685-1332.

# REQUEST FOR COUNCIL ACTION

## CITY OF SAN DIEGO

1. CERTIFICATE NUMBER  
(FOR AUDITOR'S USE ONLY)

106  
3/11

TO:  
CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):  
Office of Special Events

3. DATE:  
February 1

4. SUBJECT:  
U.S. Open Ticket Distribution Policy

Carolyn Wormser (685-1332; M.S. 807)

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)

7. CHECK BOX IF REPORT TO  
COUNCIL IS ATTACHED ☒

### 8. COMPLETE FOR ACCOUNTING PURPOSES

FUND				
DEPT.				
ORGANIZATION				
OBJECT ACCOUNT				
JOB ORDER				
C.I.P. NUMBER				
AMOUNT				

9. ADDITIONAL INFORMATION / ESTIMATED COST:

No cost to City.

### 10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>Carolyn Wormser</i>	2/19/08	8	DEPUTY CHIEF		
2				9	COO	<i>[Signature]</i>	2/20/08
3				10	CITY ATTORNEY	<i>[Signature]</i>	3/4/08
4	LIAISON OFFICE	<i>[Signature]</i>	2/20/08	11	ORIGINATING DEPARTMENT	<i>Carolyn Wormser</i>	2/27/08
5				DOCKET COORD: <i>[Signature]</i> COUNCIL LIAISON: _____			
6				<input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: 3/11/08			
7							

11. PREPARATION OF:

☒ RESOLUTION(S)

☐ ORDINANCE(S)

☐ AGREEMENT(S)

☐ DEED(S)

11A. STAFF RECOMMENDATIONS:

Adopt the requested action.

12. SPECIAL CONDITIONS:

NONE

**EXECUTIVE SUMMARY SHEET**  
CITY OF SAN DIEGO

DATE ISSUED:

REPORT NO:

ATTENTION:

Honorable City Council

ORIGINATING DEPARTMENT:

SUBJECT:

U.S. Open Ticket Distribution Policy

COUNCIL DISTRICT(S):

All

CONTACT/PHONE NUMBER:

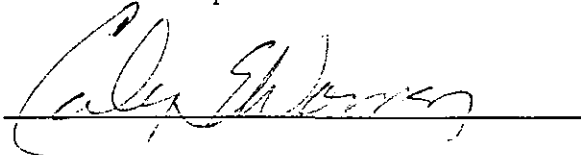
REQUESTED ACTION: Approve U.S. Open Ticket Distribution Policy

STAFF RECOMMENDATION: Adopt the requested action.

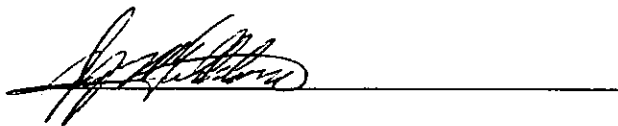
EXECUTIVE SUMMARY: On October 14th 2002, the City Council approved a lease agreement with The Friends of Torrey Pines, LLC for the use of Torrey Pines Golf Course for the 2008 U.S. Open. The lease agreement established three manners in which the City of San Diego receives access to ticket packages for the event: 1) 250 ticket packages available for purchase; 2) 100 Complimentary grounds only ticket packages; 3) hospitality tent and 125 Hospitality Tent ticket packages. The City of San Diego has developed a proposed policy to address the distribution of the ticket packages.

FISCAL CONSIDERATIONS: None

PREVIOUS COUNCIL and/or COMMITTEE ACTION: Approval of the Proposed Lease Agreement with The Friends of Torrey Pines, LLC for the use of Torrey Pines Golf Course for the 2008 U.S. Open.



Originating Department



Deputy Chief/Chief Operating Officer

RESOLUTION NUMBER R-\_\_\_\_\_

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN  
DIEGO GOVERNING USE OF TICKETS, PASSES, AND  
HOSPITALITY AREA FOR THE U.S. OPEN CHAMPIONSHIP.

WHEREAS, the United States Golf Association [USGA] will be holding the U.S. Open Championship [U.S. Open] at Torrey Pines Golf Course in the City of San Diego from Monday, June 9, 2008 through Sunday, June 15, 2008; and

WHEREAS, the USGA describes the U.S. Open as one of the world's preeminent sporting events, producing some of golf's most memorable and historic moments, and its presence in San Diego will showcase the region; and

WHEREAS, on October 14, 2002, the City Council approved a lease agreement with The Friends of Torrey Pines, LLC [the lease agreement], which allows use of the Torrey Pines Golf Course for the 2008 U.S. Open; and

WHEREAS, the lease agreement states in Section 14.2 that the Friends of Torrey Pines, LLC [the lessee] will make available to the City 250 grounds-only ticket packages at a price equal to the season grounds-only admission ticket charged to the general public, which the USGA has set as \$400 per individual ticket package; and

WHEREAS, the lease agreement states in Section 14.3 that the lessee shall provide the City 100 season tickets free of charge for use as complimentary tickets for officers, staff, guests, suppliers, and vendors of the City; and

WHEREAS, Section 17.1 of the lease agreement states that the USGA will provide to the City at the USGA's "cost" one hospitality tent for the City and its guests, which includes 125



weekly ticket packages that provide access to the golf course and the City's hospitality area, 40 preferred daily parking passes, and other amenities; and

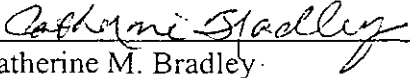
WHEREAS, the cost of the décor, food, and beverages in the City's hospitality area are being provided to the City by the San Diego Regional Economic Development Corporation, San Diego Convention & Visitors Bureau, and San Diego Convention Center Corporation, with the City to provide each organization with 25 ticket packages from the City's 125 ticket packages described above, leaving 50 ticket packages for distribution to City officials and others; and

WHEREAS, the Mayor's office has proposed a U.S. Open Ticket Distribution Policy as set forth in the Report to City Council No. 08-032; and

WHEREAS, the City Council now desires to establish a U.S. Open Ticket Distribution Policy as proposed by the Mayor's office, in compliance with the lease agreement and the regulations of the Fair Political Practices Commission, and documented in the Report to the City Council No. 08-032 entitled "U.S. Open Ticket Distribution Policy"; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Ticket Distribution Policy for the U.S. Open Championship to be held at Torrey Pines Golf Course between June 9, 2008 and June 15, 2008, is approved as set forth in the Report to the City Council No. 08-032 entitled "U.S. Open Ticket Distribution Policy."

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By   
Catherine M. Bradley  
Chief Deputy City Attorney

SBS:CMB:als  
03/04/08  
Or.Dept: Mayor  
R-2008-725

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_.

ELIZABETH S. MALAND  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor